

- b. acquisition of equipment: the equipment must either be purchased, the lease agreement must be entered into by the proponent, or if acquired by a comparable arrangement the proponent must have possession of the equipment;
- c. change of ownership by lease or purchase or comparable arrangement:
 - 1. the lease must be entered into; or
 - 2. the title to the property or stock must be in the possession of the proponent.

(16) 'Intermediate care facility' means a public or private institution which provides, on a regular basis, health-related care and services to individuals who do not require the degree of care and treatment which a hospital or skilled nursing facility is designed to provide, but who because of their mental or physical condition require health-related care and services above the level of room and board.

(17) 'New institutional health services' means:

- a. the construction, development, or other establishment of a new health care facility;
- b. any expenditure by or on behalf of a health care facility in excess of one hundred fifty thousand dollars (\$150,000) which, under generally accepted accounting principles consistently applied, is a capital expenditure; except that this Article shall not apply to expenditures solely for the termination or reduction of beds or of a health service, but shall apply to expenditures for site acquisitions and acquisition of existing health care facilities. Where a person makes an acquisition by or on behalf of a health care facility under lease or comparable arrangement, or through donation, which would have required review if the acquisition had been by purchase, such acquisition shall be deemed a capital expenditure subject to review. The value of the transaction shall be deemed to be the fair market value of the asset and not necessarily the actual dollar amount of the transaction. Donations shall include bequests. A change in a proposed capital expenditure project which in itself meets the criteria set forth herein shall be considered a capital expenditure, as well as a change in ownership of in excess of fifty percent (50%) of an existing health care facility or the acquisition of in excess of fifty percent (50%) of the assets or capital stock of a health care facility.
- c. a change in bed capacity of a health care facility which increases the total number of beds, or which distributes beds among various categories, subject to the provisions of subdivision j. of this subdivision, or relocates such beds from one physical facility or site to another. Such bed capacity change is subject to review regardless of whether a capital expenditure is made;
- d. health services, including home health services, which are offered in or through a health care facility and which were not offered on a regular basis in or through such health care facility within the 12-month period prior to the time such services would be offered;
- e. a formal internal commitment of funds by a facility for a project undertaken by the facility as its own contractor;
- f. any expenditure by or on behalf of a health care facility in excess of one hundred fifty thousand dollars (\$150,000) made in preparation for the offering or development of a new institutional health service and any